

Bush counterattacks on trade, economy

AFP, Cleveland, Ohio

US President George W. Bush accused his election-year critics on the economy Wednesday of wanting to "build a wall" that will under the United States from profitable global trade and cost jobs.

"Their agenda is to increase federal taxes, to build a wall around this country and to isolate America from the rest of the world," he told women business owners in a speech here.

"The old policy of economic isolationism is a recipe for economic disaster," he said. "America has moved beyond that tired, defeatist mind-set and we're not going back."

The veiled counterattack was aimed squarely at his Democratic rival for the White House, Massachusetts Senator John Kerry, who has made the deep job losses on Bush's watch a key theme of his campaign to the November vote.

Kerry voted for major trade pacts, including the North American Free Trade Agreement (NAFTA) with Canada and Mexico, but has recently criticized outsourcing, when firms hire overseas for jobs once carried out by US workers.

"It's clear George Bush will fight

like hell to keep his own job but won't lift a finger to help Americans keep theirs," Kerry said in remarks prepared for delivery in Chicago.

Those criticisms may pack a powerful appeal to voters in this hard hit state, where the unemployment rate is 6.2 percent, above the 5.6 percent national rate, and well up from 3.9 percent when Bush took office in 2001, according to the US Bureau of Labor Statistics.

Mindful of his vulnerabilities, the president noted he had inherited an economy on the decline and gave his most detailed description yet of the economic upheaval

wrought by the September 11, 2001 terrorist strikes.

"The attacks closed the New York Stock Exchange for nearly a week," he said. "US airspace was entirely closed for the first time. In the three months after September 11th, the economy lost nearly one million jobs. The enemy hurt us."

Bush also blamed sputtering growth on corporate scandals, years in the making" as well as uncertainty in the run up to the US-led invasion of Iraq, which he called a "necessary decision" to protect the United States.

Mexico, Japan seal free trade deal

AFP, Mexico City

Mexico and Japan on Wednesday sealed a free trade deal after a year and a half of negotiations, in the first such pact between Japan and a Latin American nation.

The deal gives Mexico, already in league with the US economy, access to the world's third-largest market in Japan, a major food importer.

Mexico landed its first foothold in Asia, while Japan has its first beachhead in Latin America, where it is a formidable supplier of automobiles and electronics. The ambitious deal scraps auto and agricultural tariffs within 10 years.

Negotiations were slated for completion last year, but dragged on to 14 rounds, hung up on the all-important farm trade.

Mexico's Economy Secretary Fernando Canales said access to Japan's market would "create opportunities to raise the standard of living" for Mexicans.

Japan could use the breakthrough to help seal accords being negotiated with nations in Southeast Asia.

Japan agreed to open its market to Mexican agricultural products such as meat, in particular pork, tomatoes, oranges, eggs, wine and tobacco.

Mexico in turn will lower by more than 40 percent its tariffs on Japanese industrial products such as steel and cars, Canales said.

The agreement "represents a strategic alliance that will create links between Asia and Mexico," he said.

With the agreement, Mexican exports to Japan are predicted to grow at more than 10 percent a year over the next decade, generating nearly 277,000 jobs, according to Mexican government estimates.



US Ambassador to Bangladesh Harry K Thomas and Executive Chairman of Bangladesh Export Processing Zones Authority (Bepza) Brig General (Retd) Md Zakir Hossain meet in Dhaka yesterday.

CURRENCY

Following is Thursday's (March 11, 2004) forex trading statement by Standard Chartered Bank							
Sell			Buy				
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer		
59.4000	59.4500	USD	58.5050	58.3332	58.2633		
73.2699	73.3316	EUR	70.6155	70.4081	70.3238		
107.6090	107.6996	GBP	104.5543	104.2472	104.1224		
44.9064	44.9442	AUD	42.7964	42.6707	42.6196		
0.5432	0.5437	JPY	0.5242	0.5227	0.5220		
46.4063	46.4453	CHF	44.8830	44.7512	44.6976		
7.8895	7.8961	SEK	7.2913	7.2698	7.2611		
45.1368	45.1748	CAD	43.6767	43.5485	43.4963		
7.6294	7.6358	HKD	7.5000	7.4779	7.4690		
34.8040	34.8333	SGD	33.9809	33.8811	33.8406		
16.3043	16.3181	AED	15.8006	15.7542	15.7354		
15.9669	15.9803	SAR	15.4775	15.4321	15.4136		
10.1376	10.1461	DKK	9.2070	9.1800	9.1690		
202.2610	202.4312	KWD	191.4117	190.8495	190.6211		
Exchange rates of some currencies against US dollar							
Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kroner	NZ dollar	Malaysian ringit	
45.21	57.285	97.05	39.415	7.1240	0.7070	3.80	
Local Interbank FX Trading:							
Local interbank market was active on Thursday. Dollar ended weaker against the Bangladeshi take due to lower import demand.							
Local Money Market:							
Money market was active. Call money rate was almost unchanged and ranged between 4.50 and 5.50 per cent compared with 5.00 and 5.50 per cent previously.							
International Market:							
The dollar extended recent gains against the euro on Thursday, shrugging off a record US trade deficit, but it struggled versus the yen as investors suspected Japan loosened its grip on currency movements. Euro failed to capitalize on Wednesday's announcement of a rise in the US trade deficit to a record \$43.1 billion in January. Traders said that the Bank of Japan has recently withdrawn dollar/yen bids after selling 10 billion yen in the first 2 months of this year on top of a record 20 trillion last year to curb yen strength. The dollar traded 0.35 pct higher on the day versus the euro. Against the yen, dollar traded flat at 110.75 yen, after earlier weakening as low as 110.47.							
This memorandum is issued by Standard Chartered Bank and is based on or derived from information generally available to the public from sources believed to be reliable. While all reasonable care has been taken in its preparation no responsibility or liability is accepted for errors of fact or any opinion expressed herein.							



Dr Kamal U Ahmad, president of Placid NK Corporation USA, receives a crest from Syed Anisul Huq, president and managing director of Bank Asia Limited, at a function organised by the bank in Dhaka during Ahmad's business promotion visit to Bangladesh. Placid NK Corporation is a reputed money transfer company.



Prime Islami Life Insurance Limited arranged its annual development meeting and a training programme on 'Mukto Bima Prokalpa' under micro insurance scheme in Dhaka recently. Among others, Kazi Md Mortuza Ali, managing director of the company, Habibur Rahman, company secretary, and Abul Bashar Akand, executive vice-president (Dev), were present.

Nepal seeks full privatisation of telecoms sector

AFP, Kathmandu

Nepal has agreed to fully privatise its weak telecommunication sector and will let foreigners invest up to 80 percent in projects in the Himalayan kingdom, it was announced Wednesday.

Communications Minister Kamal Thapa said the government wanted to completely dismantle the monopoly of the state-run Nepal Telecommunications Corporation to let foreigners introduce new services to the country of 24 million.

Local businesses will be allowed to invest only 20 percent in new telecommunication projects.

"We have decided to fully open up telecommunications services for private entrepreneurs and to convert the Nepal Telecommunications Corporation into a company to transfer the services to the private sector," he told reporters.

Vast areas of Nepal have limited landline service let alone internet connections or mobile telephone coverage.

The local press and politicians regularly berate the Nepal Telecommunications Corporation, one of the few profitable state-run firms in the kingdom, for alleged corruption.

HK mulls lifting live poultry import ban as traders strike

AFP, Hong Kong

Hong Kong poultry traders continued to strike Thursday to protest against a ban on live chicken imports as the government considered lifting the measure designed to keep bird flu from the city.

Government officials agreed to tell the traders on March 24 when they would lift the ban, imposed on January 30, after the strike started on Wednesday with hundreds of workers demonstrating outside government offices.

Police had to pull demonstrators -- including elderly women -- from the gates of the offices, which they tried to storm to reach Chief Executive Tung Chee-hwa inside.

Their anger was stoked by a government announcement Wednesday that it would allow the resumption of chilled and frozen chicken from mainland China.

Hong Kong Poultry Wholesalers and Retailers Association chairman Steven Wong Wai-chuen welcomed the government's fixing of a date.

"At least they will give us a timetable. The traders have gone through a very difficult time. I hope the government will give them satisfactory compensation and resume chicken supply from the mainland as soon as possible," Wong said.

He warned that maintaining the ban for longer than one to two months would put traders out of business.

The industry has vowed meanwhile to keep its shops and wholesale markets closed.

Wong said trade organisations would meet with government officials Friday to negotiate for compensation for affected workers.

Before the government banned live chickens from countries affected by bird flu on January 30 -- soon after the disease was discovered in China -- most of Hong Kong's live chickens were imported from the mainland.

STOCK